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 GENERAL COUNSEL
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 STATE OF SOUTH CAROLINA
 DEPARTMENT OF INSURANCE
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Before the State of South Carolina
 Department of Insurance

In the Matter of:)	
)	Consent Order
Partners National Health Plans of NC, Inc.)	Imposing Administrative Fine
)	
2085 Frontis Plaza Boulevard)	File No.: 100188
Winston-Salem, North Carolina 27103.)	
)	


This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance (the Department) and Partners National Health Plans of NC, Inc., a health maintenance organization authorized to transact business in the State of South Carolina (the Company).

The Company was advised by notice dated January 5, 1999 that the "Annual Report of Market Value of Securities as of June 30, 1999" (the Report) was required to be filed with the Department by August 1, 1999. The Company agrees that the Report was not received by the Department until August 9, 1999.

The late filing of the Report constitutes an offense under S.C. Code Ann. § 38-33-90 (B) (Supp. 1999) which states that, "The director or his designee may require [from an authorized HMO] quarterly reports and additional information considered necessary to enable him to carry out his duties under this chapter. The reports and information must be furnished in the time and matter prescribed by the director or his designee." In accordance with § 38-33-230, the Director has discretionary authority to impose a monetary fine of not more than \$15,000 per violation when such violation occurs.

Prior to the initiation of any administrative proceedings by the Department against the Company, the parties agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision. That consensual recommendation was that the Company would waive its right to a public hearing and consent to pay an administrative fine in the total amount of \$500.

After a thorough review of the record, carefully considering the recommendation of the parties, I hereby invoke the discretionary authority given to me and impose against the Company an administrative fine in the total amount of \$500. That fine must be paid within ten days of the date of my signature upon this Consent Order. If that total fine amount is not timely paid, the Company's certificate of authority will be revoked without any further disciplinary proceedings.

 Partners National
 Health Plans of NC, Inc.

This fine has been reached by the parties as a result of negotiation and compromise, and in consideration of the Company's assurance that it will timely respond to this Department's future requests for information. By the signature of one of its officers or authorized representatives upon this Consent Order, the Company acknowledges this administrative order as a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 1999).

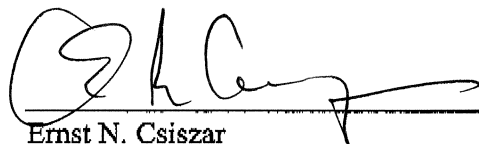
Nothing contained within this administrative order should be construed to limit, or to deprive any person of, any private right of action under the law. Nothing contained within this administrative order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement officer or judicial officer. Nothing contained within this administrative order should be construed to limit the statutory duty, of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report." See S.C. Code Ann. § 38-3-110 (Supp. 1999).

It is, therefore, ordered that Partners National Health Plans of NC, Inc. shall, within ten days of the date of my signature on this Consent Order, pay through the South Carolina Department of Insurance an administrative fine in the total amount of \$500.

It is further ordered that a copy of this Consent Order be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states.

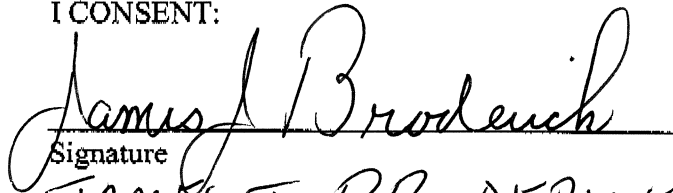
This consent order becomes effective as of the date of my signature below.

March 16, 2000
Columbia, South Carolina


Ernst N. Csiszar
Director

 Partners National
Health Plans of NC, Inc.

I CONSENT:


Signature
JAMES J BRODERICK
Printed Name
President
Title

Partners National Health Plan of NC, Inc.
2085 Frontis Plaza Boulevard
Winston-Salem, North Carolina 27103

Dated this 8th day of March 2000.